

Date Mailed July 14, 1998
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BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN

Investigation by the Commission into the Reasonableness  
of the Water Rates of Ray Huppert Utility, Inc.,  
Pierce County

4940-WR-101

**NOTICE OF INVESTIGATION AND ASSESSMENT OF COSTS**

The Public Service Commission (Commission) has authority to investigate the reasonableness of the rates of the Ray Huppert Utility, Inc., Pierce County, (applicant), under ss. 196.03, 196.20, 196.28, and 196.37, Stats.

Applicant last revised its water rates in 1994. At that time applicant was authorized a 17.50 percent return on net investment rate base. In its filed 1997 annual report, applicant reported a 28.88 percent return on net investment rate base. Additionally, by letter dated May 28, 1998, Commission staff suggested that several adjusting entries need to be made to applicant's books and that applicant's water rates may need to be reviewed at this time. Applicant was asked to review and comment on the proposed adjusting entries. Commission staff proposed the adjusting entries after reviewing applicant's books in response to a customer inquiry. By letter dated June 6, 1998, applicant agreed to a review of its water rates by Commission staff.

The utility is responsible for notice to its customers of the filing of the above application with the Commission, and, pursuant to s. PSC 2.73, Wis. Adm. Code, for producing proof of such notice at the hearing.

This is a Type III action under s. PSC 4.10(3), Wis. Adm. Code. No unusual circumstances suggesting the likelihood of significant environmental consequences have come to the Commission's attention. Neither an environmental impact statement under s. 1.11, Stats., nor an environmental assessment is required.

**NOTICE IS FURTHER GIVEN** that this matter is deemed to be a Class 1 proceeding as defined in s. 227.01(3)(a), Stats.

If this case is contested, staff shall file a synopsis or summary of the testimony or other evidence presented at the hearing in this case. The parties, pursuant to sec. 196.24(3), stats., as amended by 1997 Wisconsin Act 204, sec. 24, may demonstrate that a synopsis or summary is not sufficiently complete or accurate to fairly reflect the relevant and material testimony or other evidence presented at the hearing.

**NOTICE IS FURTHER GIVEN** that the Commission deems it necessary in order to carry out its duties herein to investigate all books, accounts, practices, and activities of the applicant. The expenses incurred or to be incurred by the Commission which are reasonably attributable to such investigation will be assessed against and collected from the applicant, in accordance with the provisions of s. 196.85, Stats., and Ch. PSC 5, Wis. Adm. Code.

Questions regarding this matter may be directed to Jeffery Kitsembel at (608) 266-5739.

Dated at Madison, Wisconsin, \_\_\_\_\_

For the Commission.

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Joyce A. Narveson, Administrator  
Division of Water, Compliance and Consumer Affairs

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